

**LODI CITY COUNCIL
REGULAR CITY COUNCIL MEETING
CARNEGIE FORUM, 305 WEST PINE STREET
WEDNESDAY, NOVEMBER 3, 1999
7:00 P.M.**

1. ROLL CALL

Present: Council Members – Hitchcock, Mann, Nakanishi, Pennino and Land (Mayor)

Absent: Council Members – None

Also Present: City Manager Flynn, Deputy City Manager Keeter, Public Works Director Prima, Community Development Director Bartlam, Finance Director McAthie, Electric Utility Director Vallow, Human Resources Director Narloch, City Attorney Hays and Deputy City Clerk Taylor

2. INVOCATION

The invocation was given by Pastor Bruce Logue, Ham Lane Church of Christ.

3. PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Perry Wilcox representing Troop 474 of the Girl Scouts Tierra del Oro Council.

4. AWARDS / PROCLAMATIONS / PRESENTATIONS

- a) Mayor Land and Community Improvement Manager Wood presented the November Community Improvement Award to Antonio Murguia, property owner of Carniceria California Deli, located at 620 South Central Avenue, Lodi.
 - b) Laura Heinitz, member of the Lodi Arts Commission, updated the City Council on the many accomplishments and activities of the Commission. Mrs. Heinitz invited the public to get involved in specialty arts classes, ballroom dancing, or one of many upcoming performances in the theater. Those interested were encouraged to contact the Square at 333-6782 for tickets and information.
 - c) Captain Adams with the Lodi Police Department introduced Audrey Lake of the Dayton-Hudson Corporation who informed the Council about its "Partnership Appreciation Awards" program. Detectives Reba Ridino and Roger Butterfield were both recognized for their partnership with Target and Mervyn's Loss Prevention personnel in investigating crimes that effect its industry. Further, Ms. Lake presented Captain Adams and Captain Mauch with a check for \$1,050 to help in the purchase of specialized equipment to assist in the fight against these types of crimes.
 - d) Ken Nieland made a presentation to the City Council regarding the upcoming Sandhill Crane Festival. November 5-7, 1999 marks the Festival's third year, and those attending will experience the addition of an art exhibition, a kick-off reception and an increased amount of exhibitors, educational materials, and information. Also shared was the fact that one individual crane, tagged and recorded as returning to Lodi annually for several years, has been given the name "Lodi".
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5. CONSENT CALENDAR

In accordance with report and recommendation of the City Manager, Council, on motion of Council Member Nakanishi, Hitchcock second, unanimously approved the following items hereinafter set forth **except those otherwise noted:**

- a) Claims were approved in the amount of \$3,579,953.25.
- b) The minutes of October 19, 1999 (Special Meeting) and October 20, 1999 (Regular Meeting) were approved as written.
- c) Adopted Resolution No. 99-166 awarding the bid for the purchase of ten portable radios and six mobile radios for the Police Partners Program to the low bidder, Lagorio Communications, of Manteca, in the amount of \$10,759.45.
- d) Adopted Resolution No. 99-167 awarding the bid for the purchase of fifteen wood utility poles to the low bidder, North Pacific Lumber, of Portland, Oregon, in the amount of \$6,028.61. **(Due to a conflict of interest, Council Member Pennino abstained from discussion and voting in this matter.)**
- e) Adopted Resolution No. 99-168 awarding the bid for the purchase of 15,000 feet of #750 600-volt XHHW aluminum conductor to the low bidder, Graybar Electric, of Sacramento, in the amount of \$20,180.01. **(Due to a conflict of interest, Council Member Pennino abstained from discussion and voting in this matter.)**
- f) Adopted Resolution No. 99-169 authorizing the purchase of a Green Machine Model 414RS Sidewalk Sweeper for the Street Division of the Public Works Department from Western Traction Company, of Union City, in the amount of \$27,799.50.
- g) Adopted Resolution No. 99-170 awarding the contract for Parks and Recreation Department Restroom Accessibility Retrofit, 125 North Stockton Street, to Advantage Construction, of Stockton, in the amount of \$38,401 and appropriated funds in accordance with staff's recommendation.
- h) Accepted the improvements under the "Lodi Lake Park Storage Building, 1101 West Turner Road" contract and directed the City Engineer to file a Notice of Completion with the County Recorder's office.
- i) Adopted Resolution No. 99-171 authorizing the City Manager to submit an application for State grant funds for park improvements at Lodi Lake Beach.
- j) Adopted Resolution No. 99-172 authorizing the City Manager to submit fiscal year 2000/01 Environmental Enhancement and Mitigation (EEM) Program grant applications for the following landscaping projects: **(Due to a conflict of interest, Council Member Pennino abstained from discussion and voting in this matter.)**
 - Kettleman Lane Median Landscaping (\$105,000)
(from Hutchins Street to Ham Lane)
The median is being constructed as part of the Kettleman Lane (Highway 12) and Crescent Avenue Traffic Signal/Median Project
 - Hutchins Street Median Landscaping (\$135,000)
(from Harney to Kettleman Lane)
This gateway to Lodi is beautifully landscaped for a short stretch of median. The Public Works Department seeks to extend the landscaping to Kettleman Lane.

- Lower Sacramento Road Median Landscaping (\$250,000) (from Turner Road to Harney Lane). Although the original estimated cost is \$620,000 for landscaping, the EEMP's maximum award is \$250,000.
 - k) Adopted Resolution No. 99-173 approving a Public Benefits Program grant in the amount of \$91,135.00 for the Light Emitting Diodes (LED) Traffic Safety Signal Conversion; authorized the City Manager to execute an agreement with Energy Masters International, Inc. to implement the project; and appropriated funds in accordance with staff recommendation. **(Due to a conflict of interest, Council Member Pennino abstained from discussion and voting in this matter.)**
 - l) Adopted Resolution No. 99-174 approving the Lodi Residential Air Duct Testing & Attic Insulation Rebate, a demand-side management component of the City of Lodi Public Benefits Program, for a total of \$175,000. **(Due to a conflict of interest, Council Member Pennino abstained from discussion and voting in this matter.)**
 - m) Adopted Resolution No. 99-175 approving a Public Benefits Program grant in the amount of \$7,215 for Nationwide Wire & Brush Manufacturing, Inc. as part of its energy conservation effort. **(Due to a conflict of interest, Council Member Pennino abstained from discussion and voting in this matter.)**
 - n) Adopted Resolution No. 99-176 approving a Public Benefits Program grant, not to exceed \$5,000, to the Salvation Army of Lodi for a low-income household demographics study. **(Due to a conflict of interest, Council Member Pennino abstained from discussion and voting in this matter.)**
 - o) Agenda item #E-15 entitled, "Transfer of funds to the Northern California Power Agency (NCPA) Geothermal Bond Escrow Account" was removed from the Consent Calendar and discussed and acted upon following approval of the Consent Calendar.
 - p) Adopted Resolution No. 99-178 approving the transfer of control of cable television franchise from MediaOne Group, Inc. to AT&T Corp. **(Due to a conflict of interest, Council Member Mann abstained from discussion and voting in this matter.)**
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6. ACTION ON ITEMS REMOVED FROM THE CONSENT CALENDAR

- a) Agenda item #E-15 entitled, "Transfer of funds to the Northern California Power Agency (NCPA) Geothermal Bond Escrow Account".

Electric Utility Director Vallow reported that the Northern California Power Agency (NCPA) and its members concluded a major project debt restructuring this year which resulted in significant reductions of yearly debt service payments. Subsequently, NCPA has continued to pursue additional opportunities to enhance members' competitive positions.

Recently, NCPA and its Financial Advisor developed a financial instrument designed to result in a net savings to NCPA Geothermal Project participants. This instrument would establish a Geothermal Bond Escrow Account for a portion of outstanding Geothermal Project debt drawing a higher rate of return than the Local Area Investment Fund 6.35% on October 20, 1999. The total additional return for the City of Lodi would be approximately \$222K over the period January 1, 2000 through July 1, 2010. Subsequently, and in accordance with the NCPA Geothermal Project Third Phase Agreement and NCPA Commission rules, establishment of the Geothermal Bond Escrow Account was approved at the October 28, 1999 NCPA Commission Meeting.

The City of Lodi's escrow account funding share is \$2,300,000 based upon Geothermal Project share and anticipated interest rate. Due to the amount required, Fiscal Year 1999-2000 Operating Revenues will not be adequate to accommodate the requirement. Therefore, it was recommended that source of funds be as follows: \$1,000,000 from City of Lodi – NCPA General Operating Reserve and \$1,300,000 from the Electric Utility Rate Stabilization Reserve 162.

The above actions are compatible with the Electric Utility Department's Competition Transition Plan.

Following discussion, the City Council, on motion of Nakanishi, Hitchcock second, adopted Resolution No. 99-177 approving the transfer of funds to the NCPA Geothermal Bond Escrow Account in an amount not to exceed \$2,300,000. **(Due to a conflict of interest, Council Member Pennino abstained from discussion and voting in this matter.)**

7. PUBLIC HEARINGS

- a) Notice thereof having been published according to law, an affidavit of which publication is on file in the office of the City Clerk, Mayor Land called for the Public Hearing to consider unmet transit needs.

Public Works Director Prima reported that a prior public hearing was held on Thursday, October 21, 1999, at 2:00 p.m. at the Hutchins Street Square Senior Center. No unmet transit needs for the City of Lodi were identified at the public hearing.

These public hearings are an annual requirement of the Transportation Development Act regulations. The regulations require the San Joaquin Council of Governments (SJCOG) to determine if there are any unmet transit needs that are reasonable to meet. Because of the recent transit service improvements, we do not expect SJCOG to find any unmet transit needs in Lodi.

Hearing Opened to the Public

1. J. W. Baker, 1825 S. Church Street, Lodi, commented that the Dial-a-Ride buses are busy every day, the service is bad, the waiting time is unreasonable, and even with a reservation to a destination, calling for a ride home becomes a demand response call which is terribly frustrating. Further, he stated it appears some buses are carrying only one passenger, and he believes Dial-a-Ride was and should remain a service tailored to seniors and the disabled. Mr. Baker did comment that the drivers are great, but management of the program appears to be messed up.

Transportation Manager Tobar commented that FTA requires a reservations program, and that these customers will have priority over demand response calls. The number of customers utilizing the program, established in 1997, has increased greatly in recent months, and the majority of these customers are students and adults needing transportation to and from school and work. Prior to 1997, the entire system operated on demand response. Those currently participating in the reservation program enjoy the reliability and convenience of door to door service and the cost.

Council Member Pennino expressed concern that the purpose in creating the Dial-a-Ride program was to provide transportation services to our senior citizens and the disabled, and noted he was not aware that the program was no longer focused on those needs. Following discussion, Council concurred with Mr. Pennino's recommendation that the Dial-A-Ride program be reviewed and brought back to Council for discussion at a future meeting.

Public Portion of Hearing Closed

ACTION:

No Council action was required regarding this matter.

8. **COMMUNICATIONS (CITY CLERK)**

- a) On recommendation of the City's Risk Manager and/or the City's contract administrator, Insurance Consulting Associates, Inc. (ICA), the City Council, on motion of Council Member Pennino, Land second, unanimously rejected the following claim:
 - 1. Steve Escarsega, date of loss 9/19/99
- b) Deputy City Clerk Taylor read the following ABC Licenses:
 - 1. Wine & Roses Country Inn, 2505 West Turner Road, Lodi, On-Sale General, Person to Person Transfer
 - 2. Centro Mart, Lakewood Apple Marketplace, 1320 West Lockeford Street, Lodi, Off-Sale Beer and Wine, Premise to Premise Transfer
- c) The City Council, on motion of Pennino, Hitchcock second, unanimously directed the City Clerk to post for the following expiring terms on various boards and commissions:

Lodi Senior Citizens Commission

| | |
|----------------|----------------------------------|
| Trella Arieda | Term to expire December 31, 1999 |
| Terri Whitmire | Term to expire December 31, 1999 |

San Joaquin County Mosquito and Vector Control District

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| Jack Fiori | Term to expire December 31, 1999 |
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9. **REGULAR CALENDAR**

- a) Agenda item #H-1 entitled, "Salary range adjustments for General Services positions".

Human Resources Analyst II Evans informed the City Council that during contract negotiations with the General Services bargaining unit, it was agreed that a salary survey would be conducted for six classifications within the unit: Customer Services Supervisor, Parks Project Coordinator, Purchasing Assistant, Sr. Storekeeper/Buyer, Supervising Administrative Clerk, and Support Services Supervisor.

After completion of this survey, City staff met with the General Services unit representative to meet and confer over the impact of these changes on these six classifications. As a result of these discussions, and the recommendations of the salary consultant, it is our recommendation that the following changes be made to the City's compensation plan effective July 1, 1999:

Parks Project Coordinator

| | | | | |
|---------------|---------------|---------------|---------------|---------------|
| <u>Step A</u> | <u>Step B</u> | <u>Step C</u> | <u>Step D</u> | <u>Step E</u> |
| \$3,220.97 | \$3,382.01 | \$3,551.15 | \$3,728.71 | \$3,915.10 |

This new range represents a 15.9% increase over the old range.

Purchasing Assistant

| <u>Step A</u> | <u>Step B</u> | <u>Step C</u> | <u>Step D</u> | <u>Step E</u> |
|---------------|---------------|---------------|---------------|---------------|
| \$2,044.77 | \$2,147.00 | \$2,254.36 | \$2,367.08 | \$2,485.43 |

This new range represents a 7.6% increase over the old range.

Support Services Supervisor

| <u>Step A</u> | <u>Step B</u> | <u>Step C</u> | <u>Step D</u> | <u>Step E</u> |
|---------------|---------------|---------------|---------------|---------------|
| \$2,404.60 | \$2,524.83 | \$2,651.08 | \$2,783.63 | \$2,922.81 |

This new range represents an 11.3% decrease from the old range.

| | |
|----------------------------------|--------------------------|
| Customer Services Supervisor | No change is recommended |
| Sr. Storekeeper/Buyer | No change is recommended |
| Supervising Administrative Clerk | No change is recommended |

The impact of these changes would be an increase in the salary ranges for Parks Project Coordinator and Purchasing Assistant, and a decrease in the range for Support Services Supervisor. The effect of these changes on the employees occupying these positions would be a 5% increase for the Parks Project Coordinator and Purchasing Assistant, and a freezing, or "Y rating", of the salary for Support Services Supervisor.

Following discussion, the City Council, on motion of Pennino, Hitchcock second, unanimously adopted Resolution No. 99-179 approving the implementation of salary range adjustments for Parks Project Coordinator, Purchasing Assistant and Support Services Supervisor.

- b) Agenda item #H-2 entitled, "Authorize execution of appropriate documents establishing financing program for Environmental Remediation Program relative to groundwater contamination".

City Attorney Hays reminded the City Council that about two and one-half years ago, the City entered into an agreement with the California Department of Toxic Substances Control, which placed the City in the position of lead agency relative to cleaning up the PCE/TCE groundwater contamination in the City. The decision to become the lead agency was undertaken by the City Council after evaluating alternatives and their affect on the community generally. The Council at that time rejected a program that would have resulted in very significant water rate increases for all water rate payers in the community. Instead, the City began funding the environmental remediation activities from reserves in the water fund. The activities to date have principally been of a legal nature and have resulted in the City expending significant dollars. This office some time ago began exploring the possibility of integrating a financing undertaking with the legal strategies that the City wished to pursue in order to accomplish the necessary cleanup program. The City Manager directed that if a program could be developed which did not put at risk funds other than those to be recovered through our environmental remediation activities, then it was a program he would be willing to support as well.

What is before the City Council is a recommendation to move forward with a financing which incorporates an elaborate budget developed to provide funding for our legal program as we have developed it, as well as our technical remediation program, with the revenue stream being only those dollars that are recovered under our environmental remediation program. We have coordinated the program with the Envision Law Group agreement so that payments under that agreement, as presented, track the budget and the financing. No other City revenues are pledged under this program to repay the holders of Certificates of Participation other than program recoveries.

While the financing concept is unique, the actual financing transaction is virtually identical to the Certificate of Participation transaction which the City recently undertook involving the City's electrical system. The effect of Council's approval of the financing is to provide dollars to proceed with our environmental enforcement and remediation activities relative to the PCE/TCE contamination once the financing is completely in place. At that point in time the City will cease to be spending moneys from the water fund.

Council will note that the transaction has moved up from \$15.75 million to \$16 million. This increase reflects the time that has elapsed since we first began this process along with increased costs incurred by Lehman Brothers in developing the legal structure of the transaction. Those costs, as the others, are covered by the transaction now that it has increased to \$16 million.

Alex Burnett, Financial Advisor with PFM, provided a brief presentation regarding the proposed documents, and reflected on the four main factors involved in going forward with this program: the flow of funds and security structure; limitations on non-cash settlements associated with the loan; costs associated with the program, which are clearly outlined and certain fees that are limited but no contingent; unwinding provisions governed in the documents.

Council Member Hitchcock expressed her concerns with moving forward, and asked for clarification regarding the documents provided, requesting that Mr. Burnett provide a detailed review of the key points contained in the proposed program documents. City Attorney Hays reminded Council that certain contents and strategies within the documents are confidential and must remain so for the success of this project, noting that the final report of Mr. Burnett was in his verbal presentation to Council this evening.

Council Member Pennino voiced his concern in retaining the confidentiality of these documents and the City's strategies, and stated he has read the information provided and feels the program will be successful in the City's financial recovery efforts. Further, Mr. Pennino requested that the City Manager review and approve all documents and invoices generated during the life of the program.

Council Member Nakanishi stated that when he ran for the City Council Member position, he was aware of the MERLO topic and was sure if elected, this might be the most important item he would be asked to support or reject. Mr. Nakanishi fully supports this program and would like to see the City Council move forward.

Mayor Land stated that the City Council and staff have worked on the MERLO project for a few years and at this time have few options left. Since insurance companies will not disclose the existence of policies which would help to pay for the contamination cleanup, this program is necessary in helping the city move forward.

Mayor Pro Tempore Mann reminded Council that this item has been exhaustively discussed over the past two years, and that while he cannot recite all the details, he relies on the City Manager, City Attorney and the professionals they have consulted regarding this proposal. Mr. Mann expressed he is comfortable with the safety of City funds provided with this proposal, has done his homework, and will do his best to make a decision best for those who have placed him in this position of trust. The City has done due diligence for as long as needed. It's time to make a decision and move forward now.

Following discussion, the City Council, on motion of Mann, Land second, adopted Resolution No. 99-180 entitled, "A Resolution Of The City Council Of The City Of Lodi Relating To Variable Rate Certificates Of Participation (Environmental Abatement Program), Approving The Forms Of And Authorizing The Execution And Delivery Of A Program Receipts Sale And Repurchase Agreement, A Trust Agreement, A Certificate Purchase Contract, A Placement Agent Agreement And A Professional Services Agreement, And Authorizing Certain Other Related Actions In Connection Therewith" by the following vote:

Ayes: Council Members - Mann, Nakanishi, Pennino and Land (Mayor)

Noes: Council Members - Hitchcock

Absent: Council Members - None

Abstain: Council Members - None

10. RECESS

Mayor Land called for a ten-minute recess, and the City Council meeting reconvened at approximately 9:25 p.m.

11. REGULAR CALENDAR (continued)

- a) Agenda item #H-3 entitled, "Ordinance establishing Chapter 2.34, Administrative Procedures, of the Lodi Municipal Code".

City Attorney Hays reported that in January of 1999, the California Court of Appeals, 4th District, Division II decided the case of Haas v. County of San Bernardino. In February of that same year, the Court ordered the Opinion to be published thereby establishing a case with precedential value. The subject matter of the Haas case was centered around how the County of San Bernardino selected its hearing officers to handle administrative hearings. Council will remember that when the administrative matter which was undertaken against M&P Investments and David Mustin, you heard counsel for David Mustin make an argument based upon the Haas case that our administrative procedure was flawed.

Out of an abundance of caution, we have undertaken to develop a comprehensive Administrative Procedures Chapter for the Lodi Municipal Code. This Chapter is developed in part to answer the Haas decision and to put us in a position should that decision remain in place to be able to absolutely argue against any claim that the selection of hearing officers in our administrative matters is not in compliance with State or Federal due process requirements.

In closing, it should be noted that the Haas case has moved up the judicial ladder and will be considered by the California Supreme Court. The expected outcome at this time is that the California Supreme Court will return to the rather long-standing law in the State of California that it is necessary in order to challenge a hearing officer for the challenging party to demonstrate an actual bias in order to have a hearing officer removed.

Following discussion, the City Council, on motion of Mann, Pennino second, unanimously introduced Ordinance No. 1683 entitled, "An Ordinance Of The City Council Of The City Of Lodi Amending Title 2 – Administration And Personnel Of The Lodi Municipal Code By Adding Chapter 2.34, Relating To Administrative Procedures".

- b) Agenda item #H-4 entitled, "Ordinance repealing and reenacting Chapter 8.24, Comprehensive Environmental Response and Liability, of the Lodi Municipal Code".

City Attorney Hays presented the following report.

In August of 1997, the City adopted Ordinance No. 1650, which established Chapter 8.24 of the Lodi Municipal Code. This Chapter, known as the Comprehensive Environmental Response and Liability Ordinance (MERLO), is part of the City's environmental program relative to the PCE/TCE contamination of the groundwater within the City of Lodi. We have faced and repulsed several challenges to that Ordinance by insurance companies who provide coverage to potentially responsible parties who we have been focusing on relative to our enforcement activities. Through that process we have developed an understanding of revisions to the Ordinance, which can be undertaken to make the Ordinance even more effective that it already is. Additionally, we have adjusted the Ordinance to recognize the potential for instituting a financing program, which can be utilized to fund remediation activities by the City. Placing this improved MERLO in the City Code will assist us further in the City's remediation activities.

Following additional discussion, the City Council, on motion of Pennino, Mann second, unanimously introduced Ordinance No. 1684 entitled, "An Ordinance Of The City Council Of The City Of Lodi Repealing And Reenacting Lodi Municipal Code Title 8, Health And Safety, Chapter 8.24 Relating To Comprehensive Municipal Environmental Response And Liability".

12. MEETING OF THE LODI FINANCING CORPORATION

Mayor Land adjourned the City Council meeting at approximately 9:25 p.m. to a meeting of the Lodi Financing Corporation.

Deputy City Clerk Taylor called the meeting of the Lodi Financing Corporation to order, and City Attorney Hays provided the following report.

The reason for the establishment of the Lodi Finance Corporation is really quite simple. In order to perform a financing transaction as is proposed, the transaction has to be bilateral, which simply means it takes two parties to enter into the transaction that would result in the issuance of Certificates of Participation as proposed under the action taken by the City Council. The Lodi Financing Corporation represents that second party. The Lodi Financing Corporation was created in order to have that second party. It also is created in order to make very clear that the transaction is between parties who are solely involved in the environmental abatement program with a revenue stream being dedicated to that program consisting of recoveries from that particular program. This makes it very clear that no other City revenues are involved.

City Attorney Hays indicated that the City Clerk calls the meeting to order since the Corporation is basically meeting for the first time and undertakes its initial organizational activities prior to conducting any business. The Council was provided with various documents which indicate the existence of the Corporation and the initial designation of Directors as undertaken by the incorporator. Those documents consisting of the Certificate designating the Directors of the Corporation and the Articles of Incorporation were presented to the Council for information only.

The first action item on the agenda is the election of officers, which will be conducted by the Deputy City Clerk. It was staff's recommendation that Council follow the pattern that the City has established relative to this type of corporation and elect the Mayor and the Mayor Pro Tempore as the President and Vice-President of the Corporation. The Treasurer and Secretary were recommended to be the Finance Director and the City Clerk respectively.

Once the officers of the Corporation are elected, the remainder of the meeting will be conducted by the President of the Corporation. Item No. D on the agenda is the adoption of the Bylaws of the Corporation and designation of the annual meeting as it is contained in the Bylaws. The Council was provided a copy of the Bylaws of the Lodi Financing Corporation as well as a copy of the Bylaws of the Lodi Public Improvement Corporation. The Lodi Public Improvement Corporation was the entity that the City partnered with in completing the recent financing transaction involving the City's Electric Utility. The purpose for presenting both is to point out that the Bylaws for both Corporations are very nearly identical.

Item No. E on the agenda is another housekeeping chore to be undertaken by the Board. It is simply the adoption of Resolution No. LFC-3 that appoints the position of City Attorney as Counsel to the Corporation. This particular appointment is consistent with how the City has handled its other Corporation.

Item No. F on the agenda is a request to take minute action. What is being asked of the Board here is simply to authorize staff to make the necessary filings to deal with the tax exempt status of the Corporation and to request a refund of fees that were initially paid at the time of incorporation. Again this is merely a housekeeping measure and action by the Board would allow staff to undertake the appropriate actions.

Item No. G. is the action item which results in the approvals given by the City Council to become effective. By adopting the documents that are presented to the Board, the transaction becomes the bilateral transaction that we have spoken of and can then be fully implemented.

Following discussion, the following action was taken:

- On motion of Director Pennino, Mann second, the Directors unanimously adopted Resolution No. LFC-1 entitled, "A Resolution Electing Officers Of The Lodi Financing Corporation";
- On motion of Director Nakanishi, Land second, the Directors unanimously adopted Resolution No. LFC-2 entitled, "A Resolution Adopting Bylaws And Designating Time And Place Of Annual Meeting Of The Lodi Financing Corporation";
- On motion of Director Pennino, Mann second, the Directors unanimously adopted Resolution No. LFC-3 entitled, "A Resolution Appointing Counsel For The Lodi Financing Corporation"; and
- On motion of Director Nakanishi, Pennino second, the Directors unanimously adopted Resolution No. LFC-4 entitled, "A Resolution Of The Board Of Directors Of The Lodi Financing Corporation Relating To Variable Rate Certificates Of Participation (Environmental Abatement Program), Approving The Forms Of And Authorizing The Execution And Delivery Of A Program Receipts Sale And Repurchase Agreement, A Trust Agreement, A Certificate Purchase Contract And A Placement Agent Agreement And Authorizing Certain Other Related Actions And Certain Other Documents In Connection Therewith".

There being no further business to come before the Corporation, President Land adjourned the meeting of the Lodi Financing Corporation at approximately 9:35 p.m. and reconvened the meeting of the City Council.

13. ORDINANCES

- a) Ordinance No. 1681 entitled, "An Ordinance Of The Lodi City Council Amending The Official District Map Of The City Of Lodi And Thereby Rezoning The Parcels Located At 15567 Lower Sacramento Road (APN #027-050-05) To PD, Planned Development No. 34" having been introduced at a regular meeting of the Lodi City Council held October 20, 1999 was brought up for passage on motion of Council Member Pennino, Land second. Second reading of the ordinance was omitted after reading by title, and the ordinance was then adopted and ordered to print by the following vote:

Ayes: Council Members – Hitchcock, Mann, Nakanishi, Pennino and Land (Mayor)
Noes: Council Members – None
Absent: Council Members – None

- b) Ordinance No. 1682 entitled, "An Ordinance Of The Lodi City Council Amending The Official District Map Of The City Of Lodi And Thereby Rezoning The Parcels Located At 5215 And 5333 East Kettleman Lane (APN #049-070-25 And 049-070-24) To U-H, Unclassified Holding District" having been introduced at a regular meeting of the Lodi City Council held October 20, 1999 was brought up for passage on motion of Council Member Land, Nakanishi second. Second reading of the ordinance was omitted after reading by title, and the ordinance was then adopted and ordered to print by the following vote:

Ayes: Council Members – Hitchcock, Mann, Nakanishi, Pennino and Land (Mayor)
Noes: Council Members – None
Absent: Council Members – None

14. COMMENTS BY THE PUBLIC ON NON-AGENDA ITEMS

- a) Robert Johnson, 1311 Midvale Road, Lodi, expressed his disappointment in this evening's actions and discussion regarding the ground contamination. Knowing it was a difficult decision, the public hearing regarding the finance package was one of the fastest he had seen, and the staff reports and questions raised by Council can generate comments and questions from the public. He further noted that Council Member Hitchcock raised several interesting questions and expressed concern that drafts and final reports were not received by all Council and that no documents were apparently made available to the public for review.

City Attorney Hays advised Mr. Johnson that the public documents would be provided to him if he so desired, and that he would be glad to go over any questions or concerns he might have.

15. COMMENTS BY CITY COUNCIL MEMBERS ON NON-AGENDA ITEMS

- a) Mayor Land expressed his sincere gratitude to the four members of the Lodi Fire Department who went into the foothills recently to assist fellow firefighters in putting out the wildfires in that area. They certainly represented this community well, and should be commended for their service above and beyond. Further, Mayor Land shared with those present a letter received from the second grade class at St. Anne's School thanking the City and the Year 2000 Steering Committee for their gift of activity books for the entire class.
- b) City Manager Flynn wished Assistant to the City Manager Cynthia Haynes a happy birthday, which she celebrates on Friday, November 5th.

Continued November 3, 1999

16. CLOSED SESSION

Mayor Land adjourned the City Council meeting to a Closed Session to discuss the following matters:

- a) Conference with labor negotiator, Human Resources Director Joanne Narloch, regarding Lodi Police Dispatchers' Association (LPDA) pursuant to Government Code §54957.6
- b) Conference with labor negotiator, City Manager Dixon Flynn, regarding Mid-Management employees pursuant to Government Code §54957.6

17. RETURN TO OPEN SESSION / DISCLOSURE OF ACTION

The City Council meeting reconvened at approximately 11:48 p.m., at which time Mayor Land reported that no final action was taken regarding the closed session items.

18. ADJOURNMENT

There being no further business to come before the City Council, the meeting was adjourned at approximately 11:50 p.m.

ATTEST:

Jacqueline L. Taylor
Deputy City Clerk